



# STATE OF THE NAVAJO NATION ADDRESS

## PRESIDENT JOE SHIRLEY, JR.

PRESENTED TO THE  
20<sup>TH</sup> NAVAJO NATION COUNCIL  
JULY 17, 2006

**S**peaker Morgan, Navajo Nation Council Delegates, Chief Justice Herb Yazzie, guests and relatives, it is an honor to present the State of the Navajo Nation Address for this third quarter of the year and to share with you our achievements, challenges and vision for the Navajo Nation.

I'd like to begin by recognizing our Navajo Nation Council delegates and their families who this past week honored Diné tradition and our former leaders by traveling to this Summer Session once again on horseback and by wagon. This new tradition fosters community outreach to our constituents along the trail, and any messages of concern or issues expressed should be shared with me. Together we'll do our best to address their concerns.

Members of the Council, as you know, on May 2, 2006, the Navajo Nation received a Notice of Summary Suspension to announce that the Administration for Children and Families was suspending federal financial assistance to the Navajo Nation Head Start and Early Head Start Programs. The suspension was based upon a perceived risk to the health and safety of children enrolled in, and staff working in, these programs. In response to this notice, I directed accelerated efforts involving all necessary Navajo Nation departments and programs to ensure that the health



and safety of children enrolled in the Nation's Head Start and Early Head Start Programs is protected.

This included the development of a Corrective Action Plan to address the concerns of the ACF, and, more importantly, to ensure that the programs will operate only with staff who have provided the required declarations, and who have undergone the required and appropriate background checks and assessments.

On May 7, 2006, I issued Executive Order 02-2006, to direct the implementation of interim Policies and Procedures for Background Checks and Employee Assessments. These interim policies and procedures have served – and will continue to serve – as the official process to conduct background checks of all current and future employees and volunteers of the program until such time as the Parent Policy Council, the Board of Education and the Education Committee of the Navajo Nation Council approve them to conduct background checks and assessments. Additionally, an emergency assignment was issued to the Nation's Division of Public Safety to direct the completion of tribal background checks on all current Head Start program employees. Finally, under my direction, a Task Force was composed of the Attorney General, the Executive Director for the Division of Diné Education, the Executive Director for the Department of Public Safety, the Deputy Director for the Division of Human Resources and the Controller to ensure the proper implementation of the Corrective Action Plan and Executive Order.

As a result of these efforts, I am pleased to report that on May 17, 2006, the Administration for Children and Families lifted the suspension of federal funds in its entirety for the operation of the Early Head Start Program. Also, following Head Start Bureau Director Channell Wilkins' visit to Navajo last week, we expect a partial lifting of the suspension of funds for the Head Start program very soon.

Obviously, we will continue to address all of the concerns regarding the suspension. There are systemic changes to be made that will require a coordinated effort among all three branches of the Navajo Nation government rather than only an Executive Branch response.



Specifically, the Judicial Branch is a key factor in the Nation's ability to effectively conduct tribal background checks and assessments. Currently, the lack of an integrated information system between the Navajo Nation Courts and the Department of Public Safety has created a huge challenge. We do have the ability to determine whether an individual has been charged with a crime, but we lack readily available information about the outcome of many cases. This information is critical to determine the relevancy of a criminal record. In order to effectively address this important component, the Task Force will begin to coordinate meetings with representatives from the Judicial Branch and the Department of Information Technology to devise a strategy to create an integrated criminal justice information system.

We are also looking very closely at our Division of Diné Education Budget. The need to conduct federal and tribal background checks on a continuous basis will require the acquisition of electronic fingerprinting devices, as well as other equipment that will allow the Head Start Program to properly and efficiently conduct background checks. Not only is it necessary to acquire special equipment, the Nation will need to enter into agreements with the Federal Bureau of Investigations to directly obtain criminal background check information in a timely manner. These agreements will require approval from the Education and Intergovernmental Relations Committees of the Navajo Nation Council. Once the agreements are ready for consideration, I look forward to the necessary oversight approval.

The summary suspension of federal funds to the Head Start Program is an extremely serious situation. As President, I am doing all I can to address all the concerns and deficiencies. We are also working hard to ensure that our young children will be in the safest and healthiest learning environment possible.

Another very important issue that my administration is working on is to identify ways to improve the effectiveness of the Nation's Financial Management Information System. Payment processing delays to students and vendors, program providers, general assistance recipients, and to our Navajo Nation personnel are unacceptable. I am committed to working with key staff to



address these outstanding issues to improve overall program effectiveness. I also plan to issue an Executive Order to address the Human Resources Information Systems component of the FMIS. This component requires the integration of necessary information from the Department of Personnel Management, the Benefits and Retirement Programs and the Payroll Department. The Executive Order will be used to develop, on an interim basis, an HRIS Employee Information Department. The department will be responsible for serving as the single point of contact for all employees, to ensure that employees are paid correctly, and will perform entry and maintenance of all employee-related information stored in the system.

The establishment of this interim department will be made up of staff temporarily assigned from the Department of Personnel Management, the Benefits Program, the Payroll Department and the Judicial Branch. The development of this department will help ensure effective governmental operations and the proper maintenance and security of employee information. If necessary, long-term reorganization will, of course, require legislative action and amendments to the respective department and program plans of operation.

I am pleased to report that on July 11, 2006, I, and the Principal Deputy Assistant Secretary for Indian Affairs signed the Navajo Nation's Business Site Leasing Regulations. With this historic approval, the Navajo Nation will finally be able to streamline the process for issuing a business site lease. No longer will the Nation be required to seek final approval from the Bureau of Indian Affairs to develop our own lands, nor will we be required to wait up to four years for the federal government to conduct appraisals. With these regulations, all the requirements related to a "federal action" are eliminated. The regulations will significantly improve economic growth and development on the Navajo Nation. I commend the Economic Development Committee and staff attorney Martha King from the Office of Legislative Counsel for working closely with the Department of Interior and the Bureau of Indian Affairs to address their concerns. The commitment of Chairman Platero and the Economic Development Committee will have a positive, long-lasting impact on the economic growth of the Navajo Nation.



With the approval of the regulations, the Division of Economic Development has a tremendous responsibility, and I am committed to ensure that the Division properly carries out its additional functions in accordance with the regulations. This will require the reorganization of programmatic functions, as well as identifying the necessary funds to properly staff the new department responsible for issuing business site leases. Additionally, upon my insistence, the Economic Development Committee revised the regulations to include the authority of our chapter governments to issue business site leases within their respective communities. Governance-certified chapters, that have an approved certified land-use plan, can issue business site leases in accordance with the regulations. Not only is this a tremendous opportunity for our local governments to carry out the intent of the Local Governance Act, but it also requires our local communities to identify land for economic development.

Another significant achievement involves the proposed agreement to lift the Bennett Freeze. Forty years ago on July 8, Commissioner of Indian Affairs Robert L. Bennett issued an administrative order that plunged 1.5 million acres of the western Navajo Nation into darkness. That order halted all construction, improvements and development which affected about 8,000 Navajos, and has largely lasted to this day. What changed over time is the number of people affected by the Bennett Freeze as the population of the area has nearly doubled. What remained the same is the misery and hardship this cruel directive has wrought on our citizens, turning them into the poorest of the poor on Navajoland, refugees in their own homes. While development and the people in the Bennett Freeze Area were frozen in time, the freeze order evolved and was reinforced by litigation, federal court orders and ultimately Congressional action.

Now, after two generations of our people suffering under this burden, our Nation and the Hopi Tribe, talking together, have found a way to end the misery, end the litigation, end the differences, and thaw out the freeze forever. We have achieved this through an Intergovernmental Compact which amicably grants both nations what each has long sought without taking anything from them. Since 2002, negotiators for the tribes have worked on this agreement. In January, they



reached the long-sought break-through. On June 9, the solicitor for the U.S. Department of Interior concurred. This compact requires no loss of land, no relocation from homes, no further expense, but offers both Navajos and Hopis a way to continue their religious practices in areas they've always considered traditional. It also permanently ends the lawsuits between our nations and removes the prohibition to bring in water, electricity and transportation services to the people there who need to improve their lives. In the last week, the Navajo-Hopi Land Commission's Bennett Freeze Sub-committee and I visited chapters to explain the agreement to the people who have long been affected by the Freeze. All that is required now is for the legislative bodies of the Navajo Nation and Hopi Tribe to give their approval. Once that is achieved, the Secretary of the U.S. Department of Interior and the Arizona District Court will acknowledge that action and proceed to remove the obstacles that have kept the Bennett Freeze in place for more than 40 years. I look forward to your support of the agreement when it's presented for your consideration.

Although significant progress has been made involving many important issues, I am extremely concerned about efforts to once again raid the Land Acquisition Trust Fund. The distribution of \$100,000 to chapters for no specific purpose is irresponsible and contrary to the intended purpose of this fund. The source of funding for this politically-motivated scheme is, as we all know, money set aside by law for the purchase of land. Land is extremely important to the Diné, and the Division of Natural Resources is currently assessing several offers for land purchases. Additionally, I've mentioned before that a worthy purchase the Nation should consider is the consolidation of land holdings in the Eastern Agency. The purchase of land is an exercise of sovereignty and strengthens our jurisdiction in those areas. As leaders of the Navajo Nation, we have a duty to ensure the proper expenditure of the Navajo people's money. This proposal is contrary to good governance practices and will result in an exorbitant amount of waste. Once again, I am extremely concerned about this proposal and I respectfully request your disapproval of the bill.



Another bill that I do not support is the proposed Fairness in Appropriations Act of 2006. There is no rational explanation provided for statutorily establishing the branch allocations at the percentages provided for in the bill. The proposal does not include fixed costs and undermines the authority of the Budget and Finance Committee and the Branch Chiefs to negotiate the branch allocation percentages. I am not opposed to and, in fact, support a fair allocation among the branches. But to statutorily set the Executive Branch allocation at a percentage lower than what it traditionally receives, while increasing the Judicial and Legislative Branch allocations, with no budget impact analysis, is senseless. I vetoed similar legislation before.

Nearly four years ago, when I was seeking the Presidency of the Navajo Nation, I told the people I would reestablish the Office of the First Lady. They supported this decision in the 2002 election. The Office of the First Lady has proven very beneficial. In addition to her active participation in MADD and the Navajo Nation DUI Task Force, the First Lady is very effective in acquiring outside resources to promote other numerous worthwhile causes. She is currently in the process of obtaining a \$50,000 grant to undertake an educational and public service campaign against underage drinking. She worked closely with the Office of the Arizona Governor to obtain a \$100,000 grant to educate school-aged children about the dangers of alcohol and drug use and domestic violence. The First Lady received approval for the *“Drive Safe, Drive Sober, and Buckle Up”* injury prevention grant from the Navajo Area Indian Health Services. This grant is designed to raise awareness about traffic safety and injury prevention on our Nation’s highways. Additionally, the Office of the First Lady, has been selected to initiate a pilot project under a grant from the U.S. Department of Labor to bridge the technological divide in rural communities with computer technology and job training. As a partner to the project, the Navajo Nation will receive more than 200 laptop computers to be used in mobile computer labs to help individuals in remote communities seek employment opportunities through the internet, enroll in computer skill training courses and obtain education through distance learning centers. Upon completion of the



administrative review process for each of these grants, the Office of the President will seek the required approvals from the appropriate oversight committees.

Finally, Ladies and Gentlemen, I'd like to express my profound disappointment about the harm that's come to someone who has shown himself to be a good friend to the Navajo people, Sheriff Brian Hounshell. It was very unfortunate to hear that only two people in Apache County were able to remove the sheriff from office for doing little more than serving the people of northern Apache County, who happen to be Navajo. It was a sad day on Navajoland, in Apache County, in the state of Arizona, and in the United States when this happened. With Sheriff Hounshell's removal, based solely on allegations and without proven violation of any law, it would now appear we're going backwards in Apache County instead of going forward on behalf of the people. If this decision is to stand, it behooves the county to hold elections to replace the sheriff rather than have someone appointed to replace him who would roll back all of the progress and goodwill Sheriff Hounshell has established with the Navajo people of Apache County and throughout the Navajo Nation.

Ladies and gentlemen of the Council, I thank you and hope that you have a successful and productive Summer Session.